Issue 118: INSIDER'S EDGE: Income Verifications—Calculating Monthly Income from a Pay Stub

Last week, I shared an important update regarding the number of pay stubs an applicant must submit to satisfy an outstanding income verification. Today, we'll take a closer look at how a pay stub should be evaluated.

Quick Refresher: 2 Pay Stubs are Sufficient

The number of records (pay stubs) an applicant must submit to satisfy an outstanding income verification has been reduced:

- 2 weekly pay stubs,
- 2 bi-weekly or semi-monthly pay stubs, or
- One monthly pay stub.

Note: These quantities are not absolute, and assistance workers must accept reasonable submissions. For example, if a pay stub contains year-to-date information that supports the monthly income attested, a verification worker has discretion to rely on a single pay stub to verify attested income.

Today's Topic: Calculating Monthly Income from a Pay Stub

Although not all assistance workers are qualified to process verifications, many of you may work with consumers who have questions about what type of coverage they may qualify for based on their current income. Since Medicaid eligibility is based on the applicant's current monthly income, it's important to know how to calculate monthly income based on a pay stub.

Use the table below when calculating monthly income using a pay stub.

Income Documentation	Calculation
Weekly	Multiply by 4.3
Bi-Weekly	Multiply by 2.16
Semi-Monthly	Multiply by 2
Monthly	Use Reported Income
Annual	Divide by 12

Pretty easy, right?

Additional Resources

- Verification workers should consult *Verification Worker Quick Reference Guide—Verification Checklist-Income* for more information on processing Income VCLs.
- *Issue 117: INSIDER'S EDGE: Income Verifications—2 is a Magic Number*
- Calculating modified adjusted gross income (MAGI) takes into account more than just a pay stub. To learn more about MAGI, check out these back issues.

See you next week. Questions? Send them to dhmh.medicaidmarge@maryland.gov.

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